financing plans including their debt/equity ratio, and these details were not submitted by the bidders.

Cost of power generation in naphtha based units

1625. SHRI K. CHANDRAN PILLAI: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that there is steep rise in the price of naphtha;

(b) if so, whether this increase has raised the cost of production of power generation in naphtha based units;

(c) if so, the details thereof;

(d) whether Government would consider exemption of naphtha from excise duty to tide over the present crisis being faced by naphtha based power units in the country; and

(e) if not, the details of steps Government propose to protect these power generating units?

THE MINISTER OF POWER (SHRI SUSHILKUMAR SHINDE): (a) Yes, Sir.

(b) and (c) Yes, Sir. The increase in price of Naphtha has resulted in an increase in the variable cost component of the cost of generation in Naphtha, based power plants. The variable charges of generation was Rs.1.14/Kwh (KiloWatt Hour) in 1995 when the cost of Naphtha was Rs.62001 Metric Tone (MT). The current variable charges of generation is Rs.6.28/Kwh based on the increased Naphtha price of Rs.34,608.22/MT as on 16.08.2007.

(d) and (e) No, Sir. At present there is no proposal under consideration of Government to exempt naphtha for generation of power from Excise duty. As the domestic price of Naphtha, which is determined based on its international price, has increased .steeply, power generating units based on Naphtha, are increasingly opting for Re-gasified Liquefied Natural Gas (RLNG) so as to minimize the fuel cost of such units.

Efficiency of power plants

1626. SHRIMATI PREMA CARIAPPA:
SHRIMATI SHOBHANA BHARTIA:

Will the Minister of POWER be pleased to state:

(a) whether the World Bank is funding a regulatory study to encourage energy efficiency through investment in rehabilitation of coal-fired generation plants in the country;

(b) if so, the details of the proposal discussed at the meeting of the power regulators held in May, 2007;

(c) the main decisions arrived at; and